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**RESPONSE OF THE GOVERNMENT OF CANADA TO THE
REPORT OF THE ROYAL COMMISSION ON CONDITIONS
OF FOREIGN SERVICE**

The Royal Commission on Conditions of Foreign Service was established to enquire into the changing circumstances of foreign service and the measures that might be taken to maintain its effectiveness and the motivation of its personnel. The Report of the Royal Commission was tabled in the House of Commons on December 15, 1981.

Two steps taken by the Government early in 1982 responded substantively to major recommendations of the Royal Commission. The reorganization of the Department of External Affairs to include the trade elements of the former Department of Industry, Trade and Commerce, announced in January 1982, has enhanced the Government's ability to assist the growth of Canadian exports and to devote much closer attention to economic factors in the formulation of Canadian foreign policy and in the conduct of Canada's international relations. The reorganization has also underlined the importance the Government attaches, in keeping with the views of the Royal Commission, to personnel management in the foreign service. Major improvements in April 1982 in the system of benefits and compensation for rotational employees have, as the Commission recommended, substantially increased the incentive to foreign service.

The Government has now completed its review of the Commission's findings and recommendations except for several items which, because of their complexity, are still under study and may be the subject of later announcements. While the Government agrees with the Commission's view that the foreign service "still attracts and retains a high calibre of employee - one who responds to challenge, is stimulated by change and adjusts extraordinarily well to a variety of living and working conditions," the review has confirmed the need for a number of additional changes to improve and preserve the morale of the foreign service and its effectiveness in serving Canadians and Canadian interests abroad. At the same time it should be recognized that members of the foreign service and their families must ultimately make the choice between acceptance of the conditions of foreign service and pursuit of their goals in other walks of life. The Government's response to the Royal Commission Report and the further measures it proposes to take at this time are outlined below.

The Government thanks Miss Pamela McDougall and the Royal Commission staff as well as members of the foreign service, their families and the many others who assisted the Commission in its work.

Equity

The Government and the Department of External Affairs take very seriously the Royal Commission's conclusion that too much emphasis is placed in the foreign service on the status differentiations of international diplomatic tradition and that there is too great a disparity in the treatment accorded within the service to different categories of employees. The Government shares fully the Royal Commission's view that all members of the foreign service and their families must be treated equitably. Equitable treatment is in fact already a fundamental principle of foreign service management and during the past two decades the Department of External Affairs has made substantial progress in applying it. The introduction in 1969 of the Foreign Service Directives and their subsequent revisions have removed inequities that had earlier applied to the administration of foreign service allowances. It is made clear to heads of post in their Letters of Instruction that they are expected to exercise leadership in eradicating any lingering traces of inequity. The Department of External Affairs will, as recommended by the Royal Commission, issue to all employees a policy statement stressing its determination to remove inequities in the treatment of staff wherever and whenever they occur. The Department will also reinforce its instructions on this matter to heads of post and other members of the foreign service who have managerial responsibilities and devote careful attention to complaints of inequitable treatment and to the application of the principle of equity in assessing the performance of foreign service managers.

Diplomatic Status, Privileges and Immunities

The Government wholly agrees with the Royal Commission that non-possession of diplomatic status should not be allowed to lead to inequities among foreign service personnel and their families abroad or expose some of them to greater risk than others. Established international practice, as largely governed by the Vienna Convention on Diplomatic Relations, prevents Canada from obtaining diplomatic status for all foreign service employees serving abroad. The Department of External Affairs will nevertheless continue its policy of normally seeking diplomatic status not only for persons who have diplomatic functions or who require such status to perform their work effectively but also, as the Royal Commission recommended, for all staff and their families in countries where, in the Canadian Government's view, such status is deemed necessary for reasons of security and personal safety.

In accordance with this policy and a Royal Commission recommendation, the Department of External Affairs will henceforth seek diplomatic status for medical officers serving at Canadian posts abroad in order to strengthen their ability to deal with local medical and other authorities and to travel between posts in the performance of their functions.

In response to a recommendation of the Royal Commission the Government is also exploring ways of taking into account as equitably as possible through the benefits and allowance system identifiable economic disadvantages that might be faced by some foreign service employees who do not have diplomatic status and privileges compared to those who do.

The Government has decided not to accept the Royal Commission's recommendation that diplomatic status should be sought for members of the administrative support staff as a reward for long service. Implementation of this recommendation would be contrary to established international practice and could create personnel management difficulties in that long service cannot always be correlated with merit. There are, however, other ways of rewarding long service. Moreover, a recently established administrative trainee program makes it possible for promising members of the support staff, chosen on the basis of merit, to become administrative officers and, by virtue of their functions, to possess diplomatic status while serving abroad.

Passports

The Government accepts the Royal Commission's recommendation that distinctions in the type of passport provided to various categories of foreign service employees should be eliminated. Henceforth, all Canada-based employees assigned for tours of duty to Canadian diplomatic and consular missions abroad as well as their spouses, whether or not they are Canadian citizens, and other accompanying dependants may travel on diplomatic passports to, from and during their assignments abroad. Unlike the grant of diplomatic status, decisions on the provision of passports to members of the Canadian foreign service can be taken unilaterally by the Government of Canada. Although the provision of diplomatic passports to all personnel on posting abroad will constitute a departure from general international practice, the Government is convinced that

such a step will not only remove unnecessary distinctions among various categories of foreign service employees but give employees who have not previously had diplomatic passports an additional degree of incidental protection while they are travelling. It must, however, be stressed that the possession of a diplomatic passport does not, in and of itself, provide the bearer with diplomatic status, privileges or immunities within the meaning of the Vienna Convention on Diplomatic Relations. As indicated above, diplomatic status will normally continue to be sought only for persons with diplomatic functions and their accompanying dependants and for persons assigned to countries in which the possession of diplomatic status is considered by Canadian authorities to be necessary for reasons of security or personal safety.

In response to a suggestion made in a Royal Commission staff report, and to facilitate evacuation in emergency situations, separate passports may be issued for all accompanying dependent children of Canada-based personnel assigned to diplomatic and consular missions abroad.

Personal Safety

The Government entirely shares the concern the Royal Commission expressed about the physical security and safety of foreign service employees and their families abroad. Although host governments are responsible under the Vienna Convention on Diplomatic Relations for the protection of foreign representatives, it is clear that the measures they are able and willing to take may not always match the threat of violence in a growing number of countries. In recognition of this disturbing fact, the Department of External Affairs has in recent years placed substantial and increasing emphasis on the personal safety of employees and their families abroad. Contrary to the impression that may be drawn from the Royal Commission Report, the personal safety of foreign service employees and their families has not been neglected for financial or other reasons. In fact, in the fiscal years 1977/78 to 1981/82 operational and capital expenditures for the Department's Personal Safety Program totalled almost \$6 million exclusive of personal safety equipment provided for newly acquired properties and for the salaries of administrative personnel.

The Personal Safety Program is based on four main guiding principles: "appropriate protection" as determined by careful assessment of the threat, "equity" in its application to all personnel and their families and to all

posts that share a similar level of assessed threat; "persons before property"; and "shared responsibility" emphasizing the mutually reinforcing roles of the individual employee, post management and headquarters. In keeping with the recommendation of the Royal Commission, the Personal Safety Program is being extended and strengthened in a number of respects.

Measures being taken include continuing sponsorship and active support of international efforts to combat terrorism in order to strike at one of the roots of the personal safety problem; educational and training measures to improve employee and family awareness of the risks they may face and the appropriate and available counter-measures; greater emphasis on thorough and coordinated threat assessment to ensure that timely and appropriate counter-measures are taken; more explicit attention to the Personal Safety Program in Letters of Instruction to heads of post and in pre-posting briefings for them and for other members of the foreign service with managerial responsibilities; and delegation of as much authority as possible to heads of post for the implementation of the Personal Safety Program and provision to them of the resources required to exercise such authority effectively. Additional measures also include improved physical and technical protective measures and equipment at chanceries, official residences and staff quarters as necessary, emergency radios, mobile communications systems and armoured vehicles; substantially improved contingency planning at posts abroad and at headquarters as well as measures to ensure that plans and vital information on employees and their families are kept sufficiently up-to-date to enable the Government to respond promptly and effectively to emergency situations. A key organizational step since the publication of the Royal Commission Report has been the creation of an Emergency Preparedness Division at headquarters with responsibility for emergency planning, crisis management, matters related to international terrorism, threat assessment and aspects of personal safety training and briefing.

The Government does not see need for additional action to implement the Royal Commission's recommendation that "adequate life and injury insurance arrangements be put in place", given the substantial and moderately-priced coverage to which foreign service employees already have access either through Government schemes or group plans arranged by staff associations and in the absence of any indication that foreign service members and their families are subject, as a consequence of foreign service, to higher

life and injury insurance premium rates than their colleagues in the domestic Public Service.

Health Care

In response to the Royal Commission's recommendation that the Public Service Health Program overseas be oriented to a more clinical, treatment approach, the Government has decided to establish "mini-clinics" at up to ten medically difficult posts on an experimental basis over two years. These mini-clinics, to be staffed by part-time nurses engaged locally, will be visited periodically by Health and Welfare medical officers already serving abroad and will be equipped with standard medical equipment and medications. Although the establishment of major medical facilities at individual posts would not be feasible, it is hoped that the ability of such clinics to deal with routine medical situations will provide an added measure of medical security to members of the foreign service and their families abroad. Extension of the "mini-clinic" concept to a substantial number of other medically difficult posts will depend on an evaluation of the outcome of the two year experiment.

To overcome some apparent confusion identified by the Royal Commission about existing procedures for dealing with medical emergencies, authority is being extended to heads of post to approve, without headquarters authorization, requests for medical evacuation in consultation where practicable with local medical practitioners and the responsible Health and Welfare Canada medical officer. A clear statement of the new medical evacuation policy will be circulated to all foreign service employees.

Steps will be taken to strengthen the pre-posting medical briefing and information provided to members of the foreign service and their families, particularly for those proceeding to locations where health risks, including anxiety and stress, may be high. Continuing and reinforced efforts will also be made to establish close contact with competent local medical authorities and institutions where they exist and, where possible, to pursue opportunities for cooperation with diplomatic missions of other countries in providing medical care arrangements when local facilities are deficient.

While some employees evidently expressed doubts to the Commission about the thoroughness of the medical examinations provided by Health and Welfare Canada both before and after posting, the Government believes that the

existing examination procedures fully match those available from other competent medical practitioners. Those examinations will continue to play an important role in the assignment of foreign service personnel abroad. Health and Welfare Canada will shortly undertake a study, in cooperation with the Department of External Affairs, of the ability of medical screening and psychological testing to anticipate the kinds of difficulties that have recently led to an increase in the number of premature repatriations of members of the foreign service and their families.

Education

Substantial provision is already made in the FSDs for the education of children of members of the foreign service. The basic objective is to provide employees with the financial assistance required to ensure that dependent children obtain an education as nearly equivalent as possible in standards and costs to that available in Canada. Funding is provided for a broad range of educational costs and related expenses. While foreign service employees are serving abroad, their dependent children may:

- receive education at the post when education facilities there are compatible with those in Canada;
- receive supplementary instruction or private tutoring at the post as and when required; or
- receive primary and secondary education in Canada or in a third country when educational facilities at the post are not compatible with those in Canada.

In response to recommendations of the Royal Commission, the Government is examining closely the educational problems confronted by foreign service children because of the lack of Canadian content in foreign school curricula and the educational discontinuity involved in moving frequently from one school system to another. As a matter of high priority, careful consideration is being given to measures that might be adopted to deal with problems of educational discontinuity of the kind to which the Royal Commission has pointed.

The Department of External Affairs has recently employed an Education Counsellor to improve the Department's knowledge of educational systems and difficulties abroad and

to provide advice to families proceeding on postings and returning to Canada. Among the issues to be examined by the new Education Counsellor are the development of suitable "Canadian content" packages, including videotaped materials, for foreign service children; the need for play-school facilities or subsidization at certain posts; the need for host country language tuition not otherwise available to children abroad; the possibility of up-grading post libraries to include appropriate material on Canada for foreign service children; and improvement of pre-posting briefings on education and related matters.

Recreational Hardship

The Government shares the Royal Commission's concern about the absence of access at a good number of posts abroad to even the most basic recreational facilities commonly available to almost all Canadians at home. In certain locations such factors as isolation, cultural barriers, lack of opportunity for active participation in sports, poor or non-existent local transportation, cost and safety considerations limit severely the opportunities available to Canadian foreign service families for recreational activities. Inevitably this has an adverse effect on health, morale and indirectly upon job performance.

While some quite modest measures have been taken in the past to alleviate the recreational hardship experienced by foreign service personnel at certain posts abroad, it is clear, as the Royal Commission recommended, that additional steps should be taken. Accordingly the Department of External Affairs will soon undertake more substantial measures to alleviate recreational hardship at certain selected posts of greatest need. Depending on conditions at such posts, such measures may include the provision of cottages; all-terrain vehicles; the installation or upgrading of athletic and fitness facilities; various kinds of health and exercise equipment; and, where opportunities for basic recreation are not otherwise available, provision for the subsidization of recreational club fees. The provision of videotape equipment, feature films and some taped Canadian television programming to hardship posts will be expanded. Employees or families to whom cottages or all-terrain vehicles are made available or who are assisted in securing club memberships will be assessed user shares. In addition to these measures, which will be phased in over a four year period, consideration will in future be given as a matter of course to the need for basic recreational facilities when new chanceries are being acquired or constructed.

Staff Accommodation

The Government is gratified by the Royal Commission's observation that substantial improvements have been made in recent years in the housing and furnishings provided to foreign service personnel abroad. It also agrees, however, with the importance the Commission attached to the influence of accommodation on the morale of foreign service families and will be taking steps to improve further the foreign service housing program.

In order to avoid inequities and to ensure that the quality of housing remains adequate, the standards applied by the Department of External Affairs in providing housing to foreign service employees and families abroad will continue to be based on the average fully-serviced rental accommodation available in the Ottawa/Hull area. This "comparability with Ottawa" approach has, it is acknowledged, sometimes been too rigidly applied owing largely to the failure of some employees and administrators to appreciate fully the original intention of the approach, including the need for housing standards to be adjusted as appropriate to local conditions at individual posts. It is clear, as well, that some of the guidelines originally established to assist in the implementation of the comparability approach were insufficiently flexible. Accordingly, the guidelines are being reviewed to provide the flexibility required to ensure that housing standards can be adapted to local conditions and that foreign service employees and families of varying size are treated equitably. The objective is to provide housing primarily on the basis of family and job related need.

Family size is and will continue, as the Royal Commission recommended, to be a major factor in the allocation of housing, although steps are being taken to ensure over time and wherever feasible that the staff quarters of employees abroad, including those of single employees, are sufficiently large to allow them to accommodate visitors. At the same time, however, there will continue to be recognition in the allocation of housing of the fact that employees with legitimate representational responsibilities can often fulfil those responsibilities most effectively and efficiently in their homes. While the representational duties of more senior foreign service personnel are usually more onerous than those of their juniors, representational needs are a function of program requirements and not necessarily of diplomatic rank. In order to avoid misunderstandings about foreign service housing policy, an updated description of its aims and of

housing standards will shortly be circulated to all foreign service personnel.

The participation of posts in the accommodation decision-making process will be strengthened by delegating authority for leasing to heads of post and by emphasizing the accountability of heads of post for the allocation of staff accommodation and the maintenance of furnishings and fittings. Consistent with a recommendation of the Royal Commission, housing committees at posts will, as most already do, include representation of all staff categories at the post and, in an advisory capacity, of spouses.

Contrary to the Royal Commission's recommendation for an across-the-board decrease in the rent shares paid by employees, the Government considers that rent shares should continue to be paid by employees based upon the existing formula as amended from time to time by the Treasury Board on the recommendation of the National Joint Council. It has also been decided to continue to make deficiency adjustments in rent shares for substandard accommodation to avoid inequities that their removal, recommended by the Commission, would entail. The administration of the existing system of deficiency adjustments will be liberalized to make higher deficiency adjustments possible in exceptional cases until the necessary improvements in accommodation can be made. Authority to implement deficiency adjustments will be delegated to heads of post within certain limits.

The Department of External Affairs will continue to provide in all Crown-held staff quarters a good quality of furnishings. Furnishings are purchased from Canadian manufacturers whenever it is economical to do so. The Department recognizes the need for a reasonable degree of flexibility in the selection of furniture and furnishings and will review the methodology for approving new items of furniture or appliances with the aim, among other things, of giving posts greater freedom to equip staff quarters with labour-saving devices most foreign service personnel would normally have in their homes were they living in Canada. Provision for post and individual involvement in the selection of furnishing schemes and fittings will be expanded where feasible.

In order to improve the maintenance of accommodation and furnishings abroad, posts will be instructed to pay closer attention to the need for forward planning and budgeting in the maintenance of properties and furniture, to the replacement of furniture and fittings when

they are worn out and to the timely and effective implementation of maintenance and replacement programs. The adequacy of the funding sought by posts for maintenance of staff quarters is being fully examined.

The Department will also be placing increased emphasis on the pre-posting and longer-term training of administrative officers and office managers who will be responsible for managing accommodation and other physical resource programs at posts abroad. Improvements will be made in the information available to staff proceeding abroad on the accommodation and furnishings to be assigned to them at their destinations.

The Department of External Affairs will give renewed impetus to its ongoing program of converting staff quarters from private to Crown leases outside of the United States, with the aim of completing the program by the end of fiscal year 1987/88. The Department will be considering what measures it might take in unusual circumstances to assist employees who, in the interim, encounter especially difficult problems with privately leased accommodation. The Department will also examine in due course the advantages and disadvantages of extending the Crown leasing program to at least some posts in the United States where housing, while very close to Canadian standards, is becoming increasingly difficult to find reasonably close to the work place.

Organizational steps are also being taken at Department of External Affairs headquarters to improve further the overall administration of the housing and furnishing programs and the formulation and assessment of housing policy.

The Foreign Service Spouse

Quite justifiably, the Royal Commission devoted a great deal of attention to the role and situation of foreign service spouses and their influence on foreign service morale and effectiveness. The Government appreciates the special difficulties faced by foreign service spouses and values greatly the contribution they make individually and collectively to the pursuit of Canadian objectives abroad. It recognizes that one of the most positive influences on the performance of a married employee overseas is a supportive spouse, and that spouses carry a great deal of the burden of organizing repeated moves, of maintaining the cohesion of the family unit and of helping family members adapt to strange, often difficult and sometimes hostile

environments. As the Royal Commission has underlined, foreign service spouses are more fully involved with and affected by their partner's employment responsibilities than the great majority of their counterparts living permanently in Canada.

There can be no disagreement with the Royal Commission's recommendation that "spouses be recognized as individuals in their own right", and the Government is committed to pursue all practicable and feasible avenues for enabling them, as the Royal Commission urged, to "fit into foreign service life in the way that best suits their individual needs and choices." It must, however, be recognized that there are unavoidable limits to the Government's ability to meet the wide variety of individual needs and aspirations of foreign service spouses.

Communication with Spouses

Within the bounds of legal and administrative feasibility, action is being taken to meet the Royal Commission's recommendation that there be greater direct communication between foreign service management and spouses. One of the responsibilities of a Community Liaison Office to be established within the Department will be to serve as a separately identifiable point of contact for foreign service spouses at headquarters. Through the Community Liaison Office the Department will distribute to spouses a greater quantity and variety of general information of relevance to foreign service life, provide greater encouragement to spouses to attend pre-posting briefings and workshops and respond to requests for information from spouses. Most general information on such questions as foreign service organization and conditions, benefits and compensation provisions, conditions at posts, briefing and training, health and superannuation plans and housing can be made available direct to spouses. There are certain categories of personal information about employees, however, that the Department is not, under the Human Rights/Privacy Acts or for practical personnel administration reasons, free to discuss with a spouse without an employee's knowledge and approval. The Department will not, for example, be at liberty to discuss with spouses, without the employee's consent, such matters as an employee's performance appraisals, promotion prospects, salary and allowances or assignment proposals and decisions.

Foreign Service Premium for Spouses

The Royal Commission's recommendation that a separate premium be paid direct to spouses was offered as a tangibly recognizable alternative to efforts to deal individually with the disruptions and inconveniences spouses frequently experience as a consequence of foreign service life. The Government has long recognized the difficulties foreign service spouses confront. This has been reflected in the substantial supplement to the basic foreign service premium that is provided to employees who are accompanied abroad by at least one dependant. While payments are not, as the Royal Commission suggests, made direct to spouses, this provision and other aspects of the overall compensation and benefits package for members of the foreign service and their families are intended to provide, in their entirety, incentive to employees and their families to incur the disruptions, hardships and frustration of rotational service.

There is a certain attraction to the concept of a separate premium for spouses, particularly as an unmistakable recognition of the contribution spouses make and for the immediate impact it would have on spouse morale. Apart from the very substantial additional costs that would be involved, there are nevertheless serious reasons to doubt its feasibility and effectiveness. It is questionable that a premium for spouses, established as the Royal Commission has suggested at half the amount paid to the employee or at any other feasible level, would be adequate, for example, to compensate spouses for lost income from paid employment at anything but the very low end of the salary scale. It is also clear that a good number of single employees, who believe that they cope abroad with many of the difficulties of both an employee and a spouse, would consider a premium for spouses unfair if, as the Royal Commission proposed, it were in addition to premiums already paid to an "accompanied" employee. It is also evident that, in the eyes of many married employees and spouses, a spouse premium paid through an equivalent reduction in the premium otherwise available to "accompanied" employees would have little more than symbolic value. Some spouses are also concerned that any such premium might tend to place them under a certain obligation to perform tasks they wish to be free, as a matter of personal choice, to undertake or not. To accept the Royal Commission suggestion that a spouse premium be based on the level of the employee partner's premium (which varies according to salary, family size and length of service abroad) would raise major problems of equity among the spouses of various categories of

employees. Moreover, it is not clear that, whatever its short-term advantages, payment of a separate premium to spouses would, as the Royal Commission appears to suggest, have sufficiently lasting and positive impact on the morale of foreign service spouses to reduce substantially over the long term pressures on the Government to help find direct solutions to the problems that foreign service spouses commonly face.

For the reasons cited and in view of the substantial improvement made to the benefits and compensation package with the amendment of the Foreign Service Directives in April 1982, the Government has decided not to pay a separate foreign service premium to spouses and, instead, to use the limited resources that are available to deal more specifically and directly with some of the key problems foreign service employees and spouses confront.

Spouse Employment

It is quite clear, as the Royal Commission points out, that foreign service life often has a seriously negative impact on the employment and career prospects of foreign service spouses. Spouses of members of the rotational foreign service are at a substantial disadvantage in comparison with the large number of other Canadian spouses who have full or part-time paid employment. There are numerous reasons for this including host country restrictions, language, cultural and social impediments, job scarcity in many countries, inadequate local facilities for child care, inability to make long-term commitments to a specific job because of rotationality and a spouse's voluntary but competing contribution to fulfilment of representational requirements. While there is no feasible overall solution to this problem, a number of practical but necessarily modest steps are being taken to improve the employment prospects for foreign service spouses both abroad and upon return to Canada.

In recent years formal or de facto reciprocal arrangements have been concluded with sixteen countries to enable Canadian foreign service spouses and other accompanying dependants of foreign service members to seek gainful employment when on posting in those countries. The Department of External Affairs is strengthening its efforts to conclude such arrangements with as many additional countries as possible.

The Department will place additional emphasis on making appropriate locally engaged positions at Canadian missions abroad available to spouses and explore the possibility of engaging spouses more frequently at posts on a term or part-time basis and of providing interested spouses with training in types of work at posts that are subject to seasonal or other peak-load demands. The Department and posts abroad will also be alert to opportunities to engage spouses and older dependants to perform certain tasks on a contract basis. Certain conditions must apply to all of these various arrangements, however, including certainty that the job involved needs to be done and cannot be undertaken by existing staff, that persons to be hired are qualified to do the work required, that no significant potential conflict of interest is involved and that competent and loyal locally engaged staff are not released simply to make room for spouses or dependants of Canada-based employees. At the same time it must be recognized that the number of locally engaged positions at posts abroad that could be made available to spouses is relatively limited because many of them require particular expertise, extensive knowledge of local language, practices and customs and local contacts that most spouses are not likely to possess. Within these limits, the Department of External Affairs will be taking a much more active interest in identifying which spouses are interested in working at posts abroad, the skills they possess and the positions to which they might be assigned.

Spouses frequently encounter difficulty finding employment or re-establishing careers on return to Canada. While employment of spouses in the Public Service must in most respects remain subject to the conditions and procedures that apply to other Canadians, the Department of External Affairs will be taking a number of modest steps to ease the re-entry of spouses into the Canadian work force. The Department will also be alert to circumstances in which foreign service spouses have experience or knowledge that would make them suitable candidates for contract or other tasks at headquarters, for example in the development and provision of certain briefings on life abroad and other community support activities. The Department will establish contacts with professional licensing bodies in Canada to help spouses who have certified professional qualifications retain their certification while abroad or recover it on return. Information and briefings will be made available to interested spouses to keep them better informed of employment conditions and prospects both at posts abroad and in the public and private sectors in Canada. Assistance will also be provided to spouses employed in the federal Public

Service but intending to accompany foreign service partners abroad to secure the leaves of absence without pay to which they are now entitled. To the extent possible, the Department will support the efforts of spouses employed outside the Public Service to make leave without pay arrangements with employers in the private and non-federal public sectors.

To coordinate employment assistance activities for foreign service spouses and dependants, the Department of External Affairs has recently engaged an Employment Counsellor and, depending on demand, employment counselling will become an increasingly important part of the support services the Department will be providing to the Canadian foreign service community.

A number of other questions related to spouse employment are still under study, including the difficulties some foreign service spouses face as a result of rotationality in retaining unemployment insurance credits and pension status; what changes, if any, might be appropriate in existing Government contract regulations to facilitate further the employment of foreign service spouses; the inability of spouses who must contribute to host country social security systems when employed abroad to benefit from such payments or obtain reimbursement; and temporary financial difficulties some spouses who take leave of absence from Public Service employment in Canada are said to face in restoring their full superannuation status on return from postings.

The Government recognizes that, as one of the Royal Commission's staff reports observes, some foreign service spouses may be more vulnerable than their non-foreign service counterparts in the face of separation, divorce or death of their employee partners because of the limitations rotationality places on their ability to accumulate employment earnings that can be channelled into investments, savings and pension schemes to provide for their long-term financial security. The Government would not propose to become administratively, legally or financially involved in separate pension arrangements solely for foreign service spouses. However, the Department of External Affairs will, as part of its support services for foreign service families, obtain and provide to interested spouses general information on pension or other arrangements they might make to enhance their financial security. Any future changes in federal pension legislation or Government superannuation schemes, whether from the national pension reform process or from other revisions, will, in their

application to spouses generally, take into consideration the interests of foreign service spouses and dependants and not place them at an unfair disadvantage relative to their counterparts living permanently in Canada. Many of the proposals put forward by the Government in late 1982 in Better Pensions for Canadians would, if adopted, substantially improve the pension entitlements of spouses in general, including foreign service spouses.

The Government does not concur with the Royal Commission's recommendation that a position of "official residence administrator" be created at each post and that the spouse of the head of post have the right to this position. As greatly as the Government appreciates and admires the contribution that spouses of heads of post make to the achievement of Canada's objectives abroad, analysis of the proposal indicates that its implementation could create significant personnel management and other difficulties. Many spouses of heads of post would prefer greater assistance from post administrative resources in the smooth functioning of official residences and in support of their representational efforts.

Citizenship of Spouses

The Royal Commission has drawn attention to the difficulties that assignments abroad have posed for some non-Canadian spouses of members of the foreign service in meeting the residence requirements for Canadian citizenship. Evolving jurisprudence and cooperation between the Department of External Affairs and the Registrar of Canadian Citizenship have recently eased these difficulties substantially for spouses who have been able to establish a residential base in Canada and maintain elements of such a base during subsequent assignments abroad with their foreign service partners.

It will continue to be the practice of the Department of External Affairs to keep concerned foreign service couples informed of the action they could take to derive maximum advantage from evolving jurisprudence. In addition, to overcome continuing difficulties encountered by spouses who have not resided in Canada sufficiently long to establish a satisfactory residential base, a rotational employee who has married a non-Canadian during a posting abroad will, at the end of that posting, be assigned to Canada for a period sufficiently long to enable the spouse to satisfy the residence requirements of the Citizenship Act. This will be a standard management practice from which the Department will deviate only at the request of the

couple concerned. Similarly, employees who marry non-Canadians while on assignment in Canada will be entitled to have their tours of duty in Canada extended for the time required to permit the spouses to fulfil the residence requirements for citizenship.

Foreign service spouses who are unable to meet the residence requirements of the Citizenship Act within a reasonable time, despite the best efforts of both the couple involved and the Department of External Affairs, may benefit from a recent Government decision that a person who meets all other criteria for Canadian citizenship, who applies for citizenship under the "special and unusual hardship" provision of subsection 5(4) of the Citizenship Act, 1976, and who is employed by the Government of Canada, by a provincial government or by an international governmental agency or association in which the Government of Canada participates, or the spouse of such person, should be granted citizenship when the Governor in Council is satisfied that such employment prevents that person and/or the spouse from meeting the residence requirement for citizenship in the foreseeable future.

Conditions of Service for Single Employees

While the Royal Commission Report justifiably devoted substantial attention to the role and well-being of foreign service spouses and families, the contribution and welfare of the many members of the foreign service who are single are no less important. It is essential to foreign service morale that managers be sensitive to the particular concerns of single employees and that single employees not be placed in positions of disadvantage relative to their married colleagues. Representations made by single employees in response to the Royal Commission Report have drawn attention to several areas of particular concern. It is clear, for example, that single employees may have as strong a claim to leave, have as much difficulty with overtime work and may find the completion of personal arrangements on reassignment as complicated and time-consuming as do married employees. They are as deserving as others of as much advance notice as possible of re-assignments and should not, simply because they are single, be expected to occupy the least comfortable accommodation at a post. The Department of External Affairs intends to continue to ensure, as in the past, that over the course of a normal career there is as little difference as possible between single and married employees in the balance of assignments to hardship and less difficult postings and that, in the fulfilment of representational duties, single

employees with such responsibilities are not at a disadvantage compared to their married colleagues. The Department will be developing guidelines for the posting of employee couples in order, inter alia, to alleviate concern among single employees that efforts to accommodate such postings not jeopardize their interests. The Department also intends to ensure that managers make reasonable allowance for the situation of single parents serving abroad.

Community Support Services

The Government agrees with the Royal Commission that employees and their families who are preparing for or returning from overseas postings have need of improved and broader briefing, counselling and other support services to facilitate reassessments and to ease the process of adjustment to changed environments and living conditions. The support services already provided by the Department of External Affairs will be strengthened. The provision of broadened support services aimed primarily at spouses and other family members will be coordinated by a Community Liaison Office to be created shortly within the Department and to work closely with the well-established Posting Briefing Centre.

While it has been decided that expanded community support services can, on the whole, be most effectively provided by the Department itself rather than on a funded basis through the Foreign Service Community Association as recommended by the Royal Commission, the Association will continue to have ample scope to expand its own valuable community support role. The Department of External Affairs will continue to furnish the Association with modest office space and facilities and will, subject to the required approval process, provide it with a small annual grant to enable it to employ a paid part-time office coordinator. A channel will be established for regular consultation between the Association and the Department, and the Department will assist the Association with the printing and distribution of material it prepares as an aid to foreign service members and their families. The Department will actively seek out the views of the Association on matters of general interest to the foreign service community and will cooperate closely with the Association in designing and providing improved support services to foreign service personnel and families.

The Department is also studying means for providing community support services at posts abroad and, as a pilot project, an experimental community liaison office has been operating in Paris. Depending on the results of

this experiment and the availability of resources, consideration may be given to the establishment of such offices at a number of other selected posts. With the help of the Foreign Service Community Association encouragement will also be given to the establishment at other posts of voluntary support services.

Foreign Language Training

The Government concurs with the suggestion in one of the Royal Commission's staff reports that host country language training should be provided both to employees and to their families to facilitate adaptation to the country of posting. It is already established practice of the Department of External Affairs to provide foreign language training to all employees and their spouses who so wish up to at least the basic level required for the most routine communication. When required for job-related reasons, employees receive additional foreign language training up to advanced levels.

Substantial additional resources will be devoted to foreign language training. The funding will be used in part to double the number of hours of basic foreign language training provided to employees and their spouses proceeding on posting from an average of forty to an average of eighty hours of instruction and to ensure that all employees and their spouses who so wish will receive at least a basic level of foreign language training when posted to non-anglophone or non-francophone countries. For employees whose duties require a working or advanced knowledge of the host country language, the additional resources will enhance the Department's ability to ensure that such employees acquire the necessary linguistic skills through the requisite training both at headquarters and at posts abroad. It will also ensure that the Department is able to provide such additional foreign language training to spouses who require it for representational purposes.

In recognition of the fact that the possession of foreign language skills by employees and their spouses helps to achieve Canada's international objectives abroad, consideration will be given to additional measures that might be taken to encourage employees and, where appropriate, other members of their families to acquire and retain foreign language skills.

Isolation and Availability of Information on Canada

The Government fully recognizes that, as the Royal Commission pointed out, members of the foreign service and

their families assigned to posts in countries with poorly developed amenities, limited communication facilities or difficult climates or with languages and cultures generally unfamiliar to Canadians may frequently suffer from feelings of isolation and separation from their Canadian roots. The substantially improved travel provisions of the April 1, 1982 amendments to the Foreign Service Directives are designed to help offset this disincentive to foreign service. Suggestions by the Royal Commission staff that, to combat feelings of rootlessness, foreign service employees and families be given adequate access to current information on Canada and Canadian affairs are already being met to a considerable degree. Both headquarters and posts make provision in their budgets for the supply to posts of Canadian newspapers, magazines, periodicals, journals, cassettes and films of Canadian events, summaries of Canadian news, copies of Canadian Government and non-governmental statements and reports and a wide variety of other Canadian information material. The principal purpose of the material now provided is to assist posts in their information and cultural activities in host country communities. While this will continue to be its main aim, the Department of External Affairs is instructing posts to keep the information needs of foreign service personnel and their families well in mind in selecting information materials and to improve the distribution of such materials among interested members of the post community.

Major further expansion at this time of the quantity and variety of information materials tailored towards individual and family needs - for example in the form of additional newspaper and magazine subscriptions, expanded daily news summaries, or use of Telidon or satellite transmissions tailored primarily to individual interests - would, while desirable, incur unacceptably high additional costs. Nevertheless, the Department will be as responsive as available resources permit in enlarging the flow and variety of individual and family-oriented information to those posts where the demand and need are greatest.

Personal Mail and Parcel Privileges

While the Royal Commission did not make a specific recommendation on the question of personal mail and parcel privileges for employees serving abroad, one of the Commission's staff reports suggested that foreign service members and their families might be given more liberal access to the Government's diplomatic mail facilities, a larger weight allotment for the shipment of parcels from

Canada through Government facilities and expanded parcel privileges to include the shipment by Government mail of parcels from posts to families and friends in Canada.

The Government has long recognized that access to diplomatic mail facilities is a necessary and valued privilege for foreign service personnel and families living in countries with highly unreliable or virtually non-existent postal services. As a consequence, personnel at sixty-seven Canadian posts abroad already have access to diplomatic channels for the despatch of personal mail and at sixty of these posts personnel are also able to receive parcels from Canada through Department of External Affairs facilities. All personnel abroad may receive financial correspondence in care of the Department.

While experience indicates that there is little need or demand for a major enlargement of existing privileges, management will remain alert to situations in which serious hardship could be avoided or alleviated through general or limited improvements in the access foreign service employees and families have to Departmental mail facilities. One improvement in the services available to employees, to be implemented immediately, will be to permit employees who now have parcel privileges to name up to four rather than the currently permitted two nominees in Canada entitled to send parcels to them through Departmental facilities and to extend the range of permissible nominees to include firms and other organizations in addition to family members as at present.

In response to a suggestion made in a Royal Commission staff report, consultations are also underway with the authorities of the Government of Quebec to determine if arrangements can be made for members of the foreign service who are normally residents of Quebec to renew their Quebec drivers' licences through a Post Office box in Hull. Such an arrangement is already in place for members of the foreign service and their families who are normally residents of Ontario when in Canada.

Benefits and Compensation

The Government's consideration of the Royal Commission's recommendations for specific changes in the Foreign Service Directives has been largely and very positively reflected in the amendments to the Directives that were announced on March 30, 1982 and came into effect on April 1, 1982.

Chief among the improvements in the Directives were:

- substantial increases in the Foreign Service Premium paid to employees as an incentive to service abroad and in the Differential Allowances paid for service at the more difficult posts, including bonus provisions for extensions of assignments at such posts;
- more flexible use of travel entitlements, which will make it possible for employees and families serving abroad to travel to Canada more frequently if they wish;
- modified extra vacation leave provisions to permit foreign service personnel to take cash in lieu of extra vacation leave or to convert this leave entitlement to a transportation expense benefit;
- substantially improved provisions for posting loans and for the payment of incidental expenses incurred in the process of re-location to take up new assignments; and
- provision of replacement value insurance coverage to employees to cover their personal effects in transit.

Several additional questions relating to the Foreign Service Directives and arising from the Royal Commission Report and the Government's review of its findings, including the methodology for determining the level of Post Indexes, remain to be considered and will be the subject of consultations between the official and staff sides in the National Joint Council.

Steps are being taken as well to respond to the Royal Commission's recommendations on the administration of the Foreign Service Directives. The aim, consistent with the Royal Commission's recommendations, is to reduce the complexity and rigidity of the Directives, to make them more readily understandable and to simplify their administration. In the consultations leading to the April 1, 1982 amendments it was considered preferable to clarify the meaning of the Directives themselves rather than to adopt the Royal Commission recommendation for the development of interpretive guidelines. Such guidelines could themselves have led to additional confusion and problems of interpretation. The trend toward simplification

is exemplified by the consolidation into one directive of the previously two directives on loans and the coverage of leave and travel benefits in two directives rather than the previous three. Every effort is being made in drafting the new directives to eliminate ambiguity, and a Foreign Service Employees Handbook has been prepared and distributed to members of the foreign service proceeding on posting to help them understand more readily the intent and scope of the Directives and to acquaint them more fully with the arrangements they should be making to ensure that their relocation is as smooth as possible.

In line with the view of the Royal Commission, the new Directives give greater flexibility of choice to employees. This is clearly reflected in revised Directives on relocation, leave, travel and education of dependants. Action is also being taken to increase the efficiency of Foreign Service Directive administration in the reorganized Department of External Affairs with the assignment of personnel service managers to each of the personnel divisions established for each foreign service employee group.

As recommended by the Royal Commission, greater authority will be granted to line managers, particularly heads of post, in the administration of the Directives, although precise details, including the extent to which post-audit procedures should be further expanded as recommended by the Royal Commission to replace pre-payment control, remain to be determined.

Personnel Management

Concrete action has been taken as part of the reorganization of the Department of External Affairs in response to the critical importance attached by the Royal Commission to personnel management in the foreign service. The Government's commitment to give personnel questions the place they deserve in the management of the foreign service has been underlined by the appointment of an Assistant Deputy Minister in the Department of External Affairs with responsibility exclusively for personnel questions. Additional resources are being devoted to personnel policy and planning and personnel administration, and steps are being taken to ensure that communications with employees on personnel matters are less impersonal than may sometimes have been the case in the past. Foreign service management has been especially conscious of the need to keep employees informed of the personnel implications of reorganization. While it would not be feasible to apply completely literally

the Royal Commission's recommendation that "overriding importance" be attached to personnel management in the foreign service, the Government and the management of the foreign service recognize that personnel considerations must be given the most careful consideration in virtually all aspects of foreign service activities. It is obvious that the effectiveness of the foreign service in serving Canadian interests depends heavily on the quality and management of its human resources.

Work is underway on the development, as suggested by the Royal Commission, of a set of principles for personnel management in the foreign service that would recognize its "unique conditions and particular circumstances." Action is also being taken, as the Royal Commission proposed, to ensure greater mobility between the foreign service and the domestic public service through the development of a substantially enlarged secondment program for officers. Greater mobility between the foreign and domestic service will enhance the knowledge and understanding in the foreign service of domestic concerns and their role in the formulation of Canadian foreign policy, and at the same time strengthen the awareness within the domestic public service of the need to take due account of international relations considerations.

Although a great deal of attention is already given to the career needs and aspirations of foreign service members in the assignment process, the Government agrees with the emphasis placed by the Royal Commission on the need for substantially improved training and career development. While training provided at Government expense both within and outside the Department of External Affairs for various categories of employees already covers a fairly wide spectrum of subjects, a more structured approach will be taken to foreign service training and the opportunities for training for promising employees will be increased. Although the most useful training is provided "on the job" throughout the career of a foreign service employee, the additional training to be provided will place much heavier emphasis than in the past on the development of administrative and management skills. Training in the kinds of skills especially necessary for work in the foreign service - including negotiation, report writing, public speaking, international law and economics and knowledge of particular societies and systems of government - will be strengthened. As already noted, much more attention is to be devoted to foreign language training. A full appraisal is being undertaken of the overall training needs of the foreign service for all employee categories. One step

already taken has been the creation of an administrative trainee program that will enable members of the foreign service support staff to advance, on the basis of merit, to positions of greater responsibility.

Because of the varied roles and relatively small size of many Canadian diplomatic and consular missions abroad, the requirement for employees with generalist skills will continue to be very strong in the foreign service. Nevertheless the Government accepts and intends to act on the Royal Commission recommendation that more emphasis be placed on the development of specialist skills. The principal means for implementing this recommendation over time will be the assignment process and recourse to special training, although the anticipated growth in secondments between the foreign and domestic services will enable the foreign service to acquire specialist expertise it may not otherwise possess in certain fields. All of these approaches will build on the political/economic, commercial/economic, immigration or international development specialization that individual foreign service officers already have.

While there can be no objection to the Royal Commission's recommendation that there be greater employee initiative in career development, there is only limited scope for an increased level of competition among employees in career advancement, given the severe staffing restraint at present being exercised by the Department of External Affairs.

Foreign Service Management

Measures taken in the past year can leave no doubt about the Government's commitment to strengthening the ability of the foreign service to perform the vital role that is required of it in the late twentieth century. Despite vast improvements in international communications in the past twenty years and the more frequent contact that has also developed over those years between Canadian leaders and the leaders of other nations, the Government and Canadians as a whole must continue to rely upon the foreign service to perform a wide variety of tasks, including the promotion and protection of Canadian interests abroad, particularly in the field of trade; keeping the Government fully informed of the attitudes and policies of other governments on matters of importance to Canadian welfare; coordination and management of Canada's very substantial participation in international development cooperation; the operation of the immigration program and the fostering abroad of a greater understanding

of Canada's cultural, economic and social diversity. The central purpose of the reorganization of the Department of External Affairs to include the trade component of the former Department of Industry, Trade and Commerce and the amendment of the Department of External Affairs Act are only two of the many steps being taken to ensure that the activities of the foreign service both at home and abroad are relevant to Canadian needs and are carried out effectively.

The amendment of the Department of External Affairs Act is designed to accomplish most of the objectives the Royal Commission had for such an Act by stipulating that the Secretary of State for External Affairs is responsible for the administration of the "foreign service of Canada", by delineating the responsibilities of the Department of External Affairs and hence of the foreign service, and by making it clear that heads of post abroad are responsible and accountable for the management and direction of their missions and for the supervision of the activities of the various Canadian Government departments and agencies represented in their areas of accreditation. While the new Act does not, as the Royal Commission recommended, recognize in specific terms "the need for occasional exceptions to domestically oriented policies and programs", the Government, the management of the Department of External Affairs and the central agencies will be alert to the need for variations in the treatment of the foreign service when necessary to ensure its effective performance and the welfare of its members.

Although it is not possible to establish as complete a separation as the Royal Commission may have envisaged between policy and operations at the most senior levels in all of the activities of the Department of External Affairs, the Department's new organizational structure - including the appointment of separate Deputy Ministers for the foreign policy and trade/economic sectors of the Department and the creation of three Assistant Deputy Minister positions for personnel, programs and management, and planning and resource allocation - is designed to provide a clear and effective delineation of authority for the various elements of the Department's activities and to ensure that each activity receives the attention it deserves.

The Government shares the Royal Commission's view that substantially greater authority should be delegated to heads of post abroad and, on the basis of a full study of this question undertaken since the tabling of the Royal Commission Report, heads of post are being informed of their broadened responsibilities in a number of areas.

Specific action in response to the Royal Commission recommendation that "the head of post be able to call upon the Inspection Service for objective independent advice" will not be possible immediately. As a result of the reorganization of the Department of External Affairs, the name, operations and reporting relationship of the former Inspection Service has been changed. The mandate and terms of reference of its successor, the Management Review Branch, are being developed and consideration is being given in that context to the possibility of having the new Branch provide advice on certain questions to heads of post at their request.

In line with another recommendation of the Royal Commission, the Department of External Affairs, in cooperation with the Comptroller General, is substantially improving its financial systems. In the context of reorganization the Department is also addressing directly problems identified in a pre-reorganization audit of foreign operations and set out in the Report of the Auditor General to the House of Commons for the fiscal year ended March 31, 1982.

While consideration is not being given to an across-the-board "ten-year plan of retrenchment of overseas activities", as recommended by the Royal Commission, the application to the activities of the Department of External Affairs and to the foreign service of the Government's Policy and Expenditure Management System will strengthen the ability of Ministers and foreign service managers to establish short and long-term priorities for the activities of the foreign service, to tailor resources to meet agreed priorities, to assess the results and to make adjustments where necessary.

